



CEO

Chief Executive Office
COUNTY OF LOS ANGELES

2021-22 RECOMMENDED BUDGET

A dynamic and flexible spending plan to meet Board priorities and keep service levels strong through COVID-19 and beyond



The Pandemic Has Exposed and Increased Deep Inequities Between Haves and Have-Nots

The County must expand **safety net services**, support **recovery**, and strategically **address inequities**.



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Key Budget Facts



\$36.2 billion recommended budget



*\$2.1 billion, mostly due to end of one-time funding like
\$1.22 billion CARES Act funding.*



110,499 budgeted positions



Net gain of 304 positions, mostly in health areas.



**No curtailments, layoffs or furloughs
recommended at this time.**



**Builds on extensive cuts and leaner
baseline established in 2020-21 budget.**



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Recommended Allocations To Support Key Board Priorities



Advancing racial equity and justice system reform.



Ramping up to implement Measure J by setting aside a year-one "down payment" of \$100 million to fund direct community investments and alternatives to incarceration.



Supporting those disproportionately affected by the COVID-19 pandemic.



Investing in affordable housing.

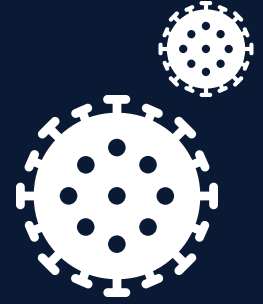


Continuing our longstanding commitment to fighting homelessness.



A Cautiously Optimistic but Still Uncertain Outlook

- Vaccine rollout continuing as everyone 16 years and older becomes eligible. Vaccine supply and equitable distribution challenges remain.
- Concerns about variants and potential new surges.
- American Rescue Plan presents opportunity for equity investments and making up lost revenue.
- Revenues are coming in higher than originally projected, although several key revenue streams remain below pre-pandemic levels.



A Closer Look: Highlights of Key Programs Funded

Addressing the Homelessness Crisis

COVID-19 emergency has intensified housing and service needs for people without stable housing.

- \$16.6 million in additional Measure H funding, for a total of \$426.7 million, to:
 - Increase and sustain supply of interim housing beds and motel vouchers
 - Streamline the bed reservation system for interim housing
 - Fund increased Permanent Supportive Housing services
- \$25 million infusion to keep affordable housing fund at \$100 million level



A Closer Look: Highlights of Key Programs Funded

Responding to COVID-19's parallel crisis in mental health

- \$9.8 million and 300 positions to the *Promotores de Salud* Mental Health Program. This will nearly quadruple the number of mental health promotores in this community-based, culturally fluent education and outreach program.
- \$29.9 million to expand Department of Mental Health crisis and intervention services. This is in response to a huge increase in mental health needs during the pandemic, including a 30% surge in calls to the DMH Helpline.



A Closer Look: Highlights of Key Programs Funded

- \$57.1 million to increase foster care resources, in-home supportive services and general relief.
- \$35 million for fair and efficient elections.
- \$19.6 million to create jobs for young people and displaced workers.
- \$17.2 million for cybersecurity.
- \$3.6 million to staff two new initiatives—
Alternatives to Incarceration and Anti-Racism,
Diversity and Inclusion.



A Closer Look: Highlights of Key Programs Funded

Measure J Initial Allocations

- \$100 million to begin implementing Measure J—the “care first, jails last initiative” approved by voters to take full effect by June 30, 2024.
- Board of Supervisors will determine specific allocations for this funding later in the year, based on recommendations from CEO, Measure J Advisory Committee, Alternatives to Incarceration, and Anti-Racism Diversion and Inclusion.



The Recommended Budget Builds On a Leaner Baseline Established in 2020-21 Budget



- **\$369 million** in cuts to departments funded with locally generated revenues.
- Elimination of **2,586** positions.
- Hard freeze on non-essential hiring.



Greater Unmet Needs Than We Can Fund

County Departments submitted more than **\$2 billion** in unmet needs requests.

Of this amount, **\$530.2 million** of the most critical requests were deferred for consideration in later budget phases.



Available funding

Unmet needs



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LA COUNTY CARES

Report to the Board of Supervisors on CARES Act
Funding Allocations and Outcomes

March 2020 - December 2020



LOS ANGELES COUNTY CHIEF EXECUTIVE OFFICE



First Phase of COVID-19 Response Funded by \$1.22 Billion From CARES Act

- Testing
- Rent Relief
- Food Distribution
- Small Business Assistance
- Digital divide
- Emergency response

CEO.LACounty.gov/cares

Next Phase of COVID-19 Response to be Funded by \$1.9 Billion From American Rescue Plan

In next budget phase, Board will determine allocations in the following proposed categories:



Health: Sustained COVID-19 response prioritizing the most heavily impacted.



Economic Recovery: Building an equity-focused bridge to recovery.



Equity Investments: Systemic and infrastructure improvement to make us “better than before.”

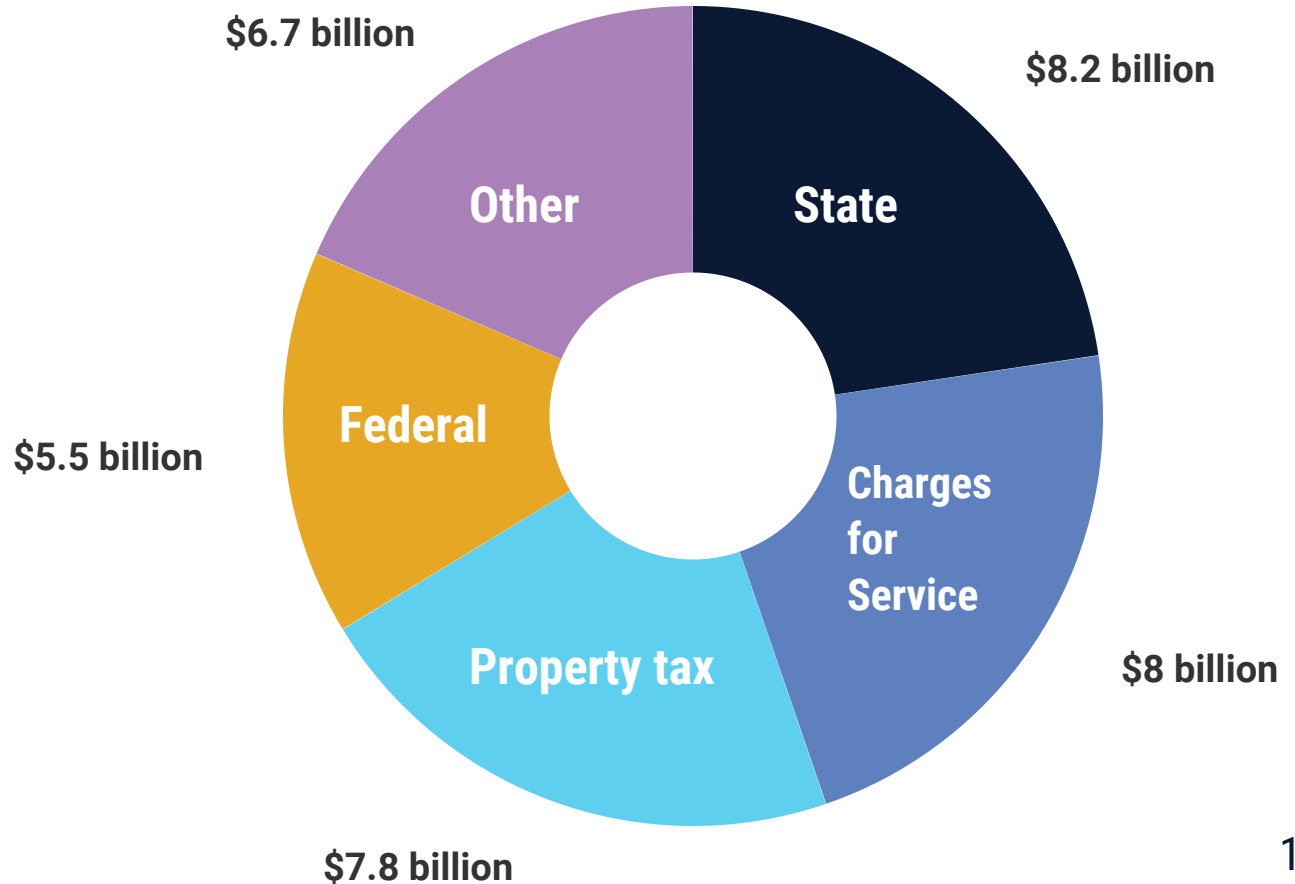


Sustainability & Preparedness: Supporting our fiscal future by restoring losses and preparing for the next emergency.



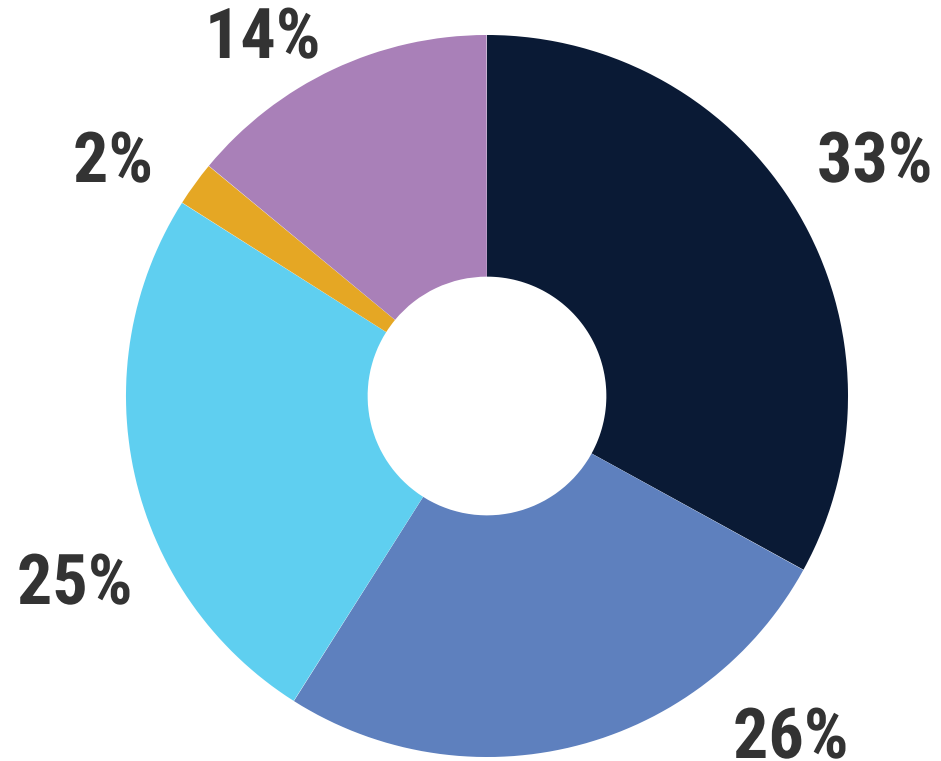
A Closer Look: Where the Money Comes From

County funding comes from a variety of sources.



A Closer Look: Where the Money Goes

- **Health:** 33% \$12 billion
- **Public assistance:** 26% \$9.3 billion
- **Public protection:** 25% \$9.1 billion
- **Recreation and culture:** 2% \$707 million
- **General and other costs:** 14% \$5.1 billion



The Recommended Budget Marks the Beginning of the Annual Budget Process

We will return to the Board in May for public budget hearings and in June for final budget deliberations.

